

Jessica Bryne
Regulatory Services
One South Church
Mailstop UE201
PO Box 711, Tucson, Arizona 85702
(520) 884-3680 Office
(520) 884-3601 Fax
jbryne@tep.com

ORIGINAL



RECEIVED

50

2006 JUL 28 P 4: 04



AZ CORP COMMISSION
DOCUMENT CONTROL

July 27, 2006

Docket Control
Arizona Corporation Commission
1200 W. Washington
Phoenix, Arizona 85007

Arizona Corporation Commission
DOCKETED

JUL 28 2006

Re: **Docket No. E-04204A-04-0744, G-04204A-04-0744**

DOCKETED BY	NR
-------------	----

Docket Control,

Pursuant to Decision No. 67434, "UNS shall file Semi-annual reports with the Commission, documenting CARES program participation levels, as well as program cost recoveries and expenditures related to the CARES program deferral account balance, on a monthly basis. Such reports shall be filed by January 30th and July 30th of each year, documenting the previous first six months' and second six months' activity for each calendar year, respectively.

Enclosed please find the original and thirteen copies of the Semi-Annual report for UNS Gas, Inc. and UNS Electric, Inc's CARES Discount Program. Also enclosed is an additional copy that the Company requests you date-stamp and return in the self-addressed, stamped envelope for our files.

If you have any questions, please call me at 520.884.3680.

Sincerely,

Jessica Bryne
Regulatory Services

Enclosures

Cc: Ernest Johnson, ACC
Brian Bozzo, ACC
Gary A. Smith, UNS Gas, Inc.
Dennis Nelson, UNS Gas, Inc.
Tom Ferry, UNS Electric, Inc.

UNS Electric, Inc. CARES Discount Program - Summary of Total Program Expenses

January 2006 - June 2006

2006	Discount	Avg. Discount	Customer Participation	Administrative Expenses	Marketing Expenses
January	\$ 45,119.46	\$ 7.59	5,947	\$ 133.60	\$ 178.95
February	\$ 43,204.20	\$ 7.28	5,936	\$ 106.83	\$ 3,016.15
March	\$ 44,548.31	\$ 7.38	6,039	\$ 143.30	\$ -
April	\$ 43,613.45	\$ 7.39	5,899	\$ 236.72	\$ 831.98
May	\$ 43,834.37	\$ 7.31	5,994	\$ 254.17	\$ 224.50
June	\$ 45,498.81	\$ 7.60	5,989	\$ 298.37	\$ 3,900.47
TOTAL	\$ 265,818.60	\$ 7.42	-	\$ 1,172.99	\$ 8,152.05

Total Discount and Expenses	Avg. Monthly Customer Participation	Avg. Discount
Jan 06 - June 06	Jan 06 - June 06	Jan 06 - June 06
\$ 265,818.60	5,967	\$ 7.42

UNS Gas, Inc. CARES Discount Program - Summary of Total Program Expenses

January 2006- June 2006

2006	Discount	Avg Discount	Participation	Administrative Expenses	Marketing Expenses
January	\$ 53,937.20	\$ 9.51	5,670	\$ 286.01	\$ 304.71
February	\$ 58,098.60	\$ 10.10	5,754	\$ 302.67	\$ 97.50
March	\$ 55,371.00	\$ 9.34	5,930	\$ 450.38	\$ -
April	\$ 47,070.15	\$ 7.85	5,994	\$ 1,582.72	\$ 831.98
May	\$ 14.70	\$ -	5,929	\$ 1,130.54	\$ 211.50
June	\$ 4.35	\$ -	5,845	\$ 1,180.79	\$ 6,070.72
TOTAL	\$ 214,496.00	\$ 6.11	-	\$ 4,933.11	\$ 7,516.41

Total Discount and Expenses Jan 06 - June 06	Avg. Monthly Customer Participation Jan 06 - June 06	Avg. Discount Jan 06 - June 06
\$ 214,496.00	5,520	\$ 6.11

Notes:

1) Basic Cost of Service Rate: first 100 therms or less per month will be discounted by \$0.1500 per therm for the billing months November through April